



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF

AE-17J

JUL 13 2004

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Julie Kendall, Environmental Specialist
Cognis Corporation
2525 South Kensington Road
Kankakee, Illinois 60901

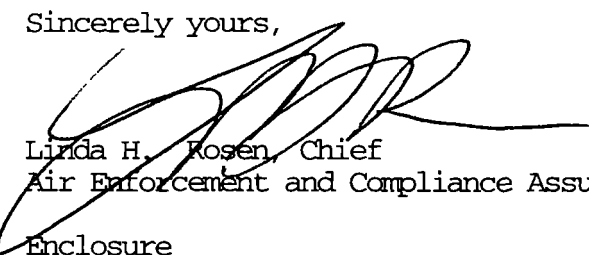
Re: Cognis Corporation
Administrative Consent Order

Dear Mrs. Kendall:

Enclosed is an executed original of the Administrative Consent Order regarding the above captioned case.

If you have any questions about the Order, please contact Ray Cullen at (312) 886-0538 or Reginald Pallesen at (312) 886-0555.

Sincerely yours,



Linda H. Rosen, Chief
Air Enforcement and Compliance Assurance Section MI/WI

Enclosure

cc: Julie Armitage
Illinois Environmental Protection Agency
P.O. Box 19506
Springfield, Illinois 62794-9506

Emilio Salis, Regional Manager
Region 1
Illinois Environmental Protection Agency
9511 West Harrison Street
Des Plaines, Illinois 60016

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

IN THE MATTER OF:)	
)	
Cognis Corporation)	Administrative Consent Order
2525 South Kensington Road)	
Kankakee, Illinois 60901)	EPA-5-04-113(a) IL-
)	
Proceeding Under Sections)	
113(a)(3) and 114(a)(1) of)	
the Clean Air Act, 42 U.S.C.)	
§§ 7413(a)(3) and 7414(a)(1))	

Administrative Consent Order

1. The Director of the Air and Radiation Division, United States Environmental Protection Agency (U.S. EPA), Region 5, is issuing this Order to Cognis Corporation (Cognis) under Sections 113(a)(3) and 114(a)(1) of the Clean Air Act (Act), 42 U.S.C. §§ 7413(a)(3) and 7414(a)(1).

Statutory and Regulatory Background

2. Section 112 of the Act, 42 U.S.C. § 7412, authorizes the Administrator of U.S. EPA to promulgate regulations establishing National Emission Standards for Hazardous Air Pollutants (NESHAPs).

3. The NESHAP for Pharmaceuticals Production was proposed on April 2, 1997, became final on September 21, 1998, and is codified at 40 C.F.R. Part 63, Subpart GGG. The owner or operator of an existing affected source must comply with the provisions of this NESHAP no later than October 21, 2002, as required under 40 C.F.R. § 63.1250(f)(1).

4. The NESHAP for Pharmaceuticals Production, at 40 C.F.R. § 63.1250(a)(1), defines an affected source as a pharmaceutical manufacturing operation that: a) manufactures a pharmaceutical product; b) is located at a plant site that is a major source as defined in Section 112(a) of the Clean Air Act; and c) processes, uses or produces Hazardous Air Pollutants (HAPs).

5. The NESHAP, at 40 C.F.R. § 63.1258(b)(1)(iv)(A)(2), requires that the owner or operator of an affected source establish the minimum bed regeneration temperature under worst-case conditions for each regenerative carbon adsorber utilized by the source.

6. The NESHAP, at 40 C.F.R. § 63.1258(b)(8), states that exceedances of parameters monitored according to the provisions of paragraph 63.1258(b)(1)(iv) constitute violations of the source's operating limit.

7. Under Section 113(a)(3) of the Act, the Administrator of

U.S. EPA may issue an order requiring compliance to any person who has violated or is violating the NESHAP regulations. The Administrator has delegated this authority to the Director of the Air and Radiation Division.

8. The Administrator of U.S. EPA may require any person who owns or operates an emission source to provide information required by the Administrator under Section 114(a)(1) of the Act. The Administrator has delegated this authority to the Director of the Air and Radiation Division.

Findings

9. Cognis owns and operates a chemical plant at 2525 South Kensington Road in Kankakee, Illinois 60901.

10. At the Kankakee plant, Cognis has a pharmaceutical manufacturing operation that manufactures vitamin E, a pharmaceutical product within the meaning of the NESHAP for Pharmaceuticals Production. The Kankakee plant site is a major source as defined in section 112(a) of the Act. And, Cognis uses HAPs at various stages of the vitamin E manufacturing process. Therefore, Cognis is subject to the requirements of the NESHAP for Pharmaceuticals Production at 40 C.F.R. Part 63, Subpart GGG.

11. Cognis owns and operates an "emission source" within the meaning of Section 114(a)(1) of the Act. Therefore, Cognis is subject to the requirements of Section 114(a)(1).

12. On May 6, 2004, U.S. EPA issued to Cognis a Finding of Violation alleging that Cognis violated the NESHAP for Pharmaceuticals Production at 40 C.F.R. § 63.1258(b)(8) by failing to keep the bed regeneration temperature of the regenerative carbon adsorber associated with the pharmaceutical manufacturing operations at its Kankakee plant above the minimum temperature established in its Notification of Compliance Status Report, on 72 days from March 20, 2003 to September 19, 2003. ✓

13. Cognis may be able to achieve compliance with the requirements of 40 C.F.R. § 63.1258(b)(8) by conducting performance testing of its regenerative carbon adsorber to establish new monitoring parameters.

Compliance Program

14. Cognis must submit to U.S. EPA for review and approval under Section 114(a)(1) of the Act a protocol for performance testing of the regenerative carbon adsorber at its Kankakee plant. The protocol must be submitted within ten (10) days of the effective date of this Order and at least thirty (30) days prior to the actual testing. The testing must be performed at maximum (worst-case) operating conditions, including periods of steady and non-steady state operations.

15. Within ninety (90) days of the effective date of this

Order, Cognis must submit a final report summarizing the results of the performance testing of the carbon adsorber.

16. Cognis must send all reports required by this Order to:

Attention: Compliance Tracker (AE-17J)
Air Enforcement and Compliance Assurance Branch
U.S. EPA, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604.

General Provisions

17. This Order does not affect Cognis' responsibility to comply with other local, state and federal laws and regulations.

18. This Order does not restrict U.S. EPA's authority to enforce Section 112 of the Act, or any other section of the Act.

19. Nothing in this Order limits U.S. EPA's authority to seek appropriate relief, including penalties under Section 113 of the Act, for any violation by Cognis of the NESHA for Pharmaceuticals Production, including the violation of 40 C.F.R. § 63.1258(b)(8) alleged in the May 6, 2004 Finding of Violation.

20. Failure to comply with this Order may subject Cognis to penalties of up to \$32,500 per day for each violation, under Section 113 of the Act.

21. The terms of this Order are binding on Cognis, its assignees and successors. Cognis must give notice of this Order to any successors in interest, prior to transferring ownership, and must simultaneously verify to U.S. EPA, at the above address, that Cognis has given the notice.

22. This Order is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 *et seq.*, because it seeks collection of information by an agency from specific individuals or entities as part of an administrative action or investigation. To aid in our electronic record keeping efforts, please provide your response to this request for information without staples. Paper clips, binder clips and 3-ring binders are acceptable.

23. U.S. EPA may use any information submitted under this Order in an administrative, civil or criminal action.

24. Cognis agrees to the terms of this Order.

25. This Order is effective on the date of signature by the Director of the Air and Radiation Division. This Order will expire upon Cognis' submission of an acceptable final report, as required by paragraph 15 herein.

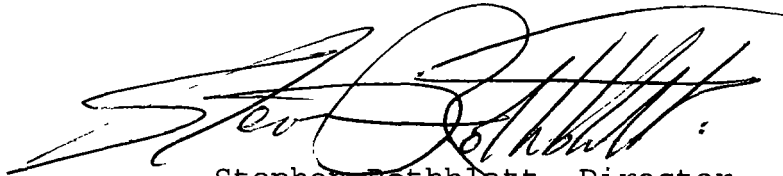
June 28, 2004

Date

Dennis R. Ohlmannsich
Operation Director

Cognis Corporation

July 13, 2004
Date

A large, stylized handwritten signature in black ink, appearing to read "Stephen Rothblatt".

Stephen Rothblatt, Director
Air and Radiation Division

Enclosure

CERTIFICATE OF MAILING

I, Shanee Rucker, certify that I sent the Administrative Consent Order, EPA Order No. EPA-5-04-113(a)IL, by Certified Mail, Return Receipt Requested, to:

Julie Kendall, Environmental Specialist
Cognis Corporation
2525 South Kensington Road
Kankakee, IL 60901

I also certify that I sent a copy of the Administrative Consent Order, EPA Order No. EPA-5-04-113(a)IL, by First Class Mail to:

Julie Armitage, Section Manager
Compliance and Systems Management Section
Illinois Environmental Protection Agency
P.O. Box 19506
Springfield, Illinois 62794-9506

Emilio Salis, Regional Manager
Region 1
Illinois Environmental Protection Agency
9511 West Harrison Street
Des Plaines, Illinois 60016

on the 14th day of July 2004.

Shanee Rucker
Shanee Rucker,
Administrative Program Assistant
AECAS, (MI/WI)

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 0006 0177 3722